

**Good Corporate Governance Handbook**  
**of**  
**Thaivivat Insurance Public Company Limited**

Thaivivat Insurance Public Company Limited recognizes the importance of good corporate governance as it does not only reflect an efficient, transparent and verifiable management system but also help to raise trusts and confidence among the shareholders, investors, stakeholders and every related party, making it an essential tool in driving corporate stability and prosperity. The objectives of good corporate governance are as follow:

1. To ensure that the Company operates its business with an efficient, transparent and verifiable management system.
2. To create business sustainability by maintaining the best interests of the shareholders in the long run and operating business with responsibility toward the society and environment.
3. To support and set up working standard and practice to be upheld by the directors, executives and employees at every level to ensure compliance with the principles of good governance, anti-corruptions, ethical standard and professional ethics.
4. To ensure that the Company strictly follows relevant rules, regulations and practices of the Stock Exchange of Thailand, the Office of Securities and Exchange Commission (SEC), the Office of Insurance Commission (OIC) and other related laws.

The Company shall improve the corporate governance as well as the good practices to be in conformity with the good governance principle for the listed companies year 2017 of the Securities and Exchange Commission (SEC) that are divided into five sections as follows :

1. Rights of Shareholders
2. Equitable Treatment of Shareholders
3. Roles of Stakeholders
4. Disclosure and Transparency
5. Responsibilities of the Board

## Section 1 - Rights of Shareholders

The Board of Directors recognizes and respects the ownership rights of the shareholders and has therefore appointed committees to represent the Board of Directors in determining decisions on matters having a significant impact on the Company, including supporting the shareholders to exercise the following rights:

1. Rights to buy, sell or transfer shares and acquire shares.
2. Rights to gain profit shares from the Company.
3. Rights to have access to adequate news and information in relation to the Company.
4. Rights to be completely informed of the meeting date, time, venue, agenda and rules of meeting attendance, including other related information for consideration.
5. Rights to attend and have the right to vote at the shareholders' meeting.
6. Rights to raise questions at the meeting and submit questions in advance of the meeting.
7. Rights to appoint or remove a director and determine directors' remuneration.
8. Rights to appoint an Auditor, determine the Auditor's fee and make decisions concerning matters that affect the business operation of the Company.

### Best Practice

#### 1. Shareholders' Meeting

1.1 The Board of Directors supports and promotes every shareholder group, including institutional shareholders to attend the shareholders' meeting.

1.2 The Board of Directors ensures that information pertaining to the date, time, venue and agenda of the meeting are provided together with explanations and reasons supporting each agenda or resolution in the meeting notice of Annual General Meeting of Shareholders (AGM) and Extraordinary General Meeting of Shareholders (EGM) or as per the enclosed meeting documents.

1.3 The Board of Directors provides opportunities for the shareholders to submit questions in advance of the meeting by clearly defining relevant rules and notifying the shareholders through the meeting notice.

1.4 The Board of Directors prepares Proxy Form B for the shareholders to decide their voting direction and at least one Independent Director will be provided as an alternative for the grant of shareholder's proxy.

#### 2. Shareholder's Meeting Procedure

2.1 The Board of Directors promotes the use of technology at the shareholders' meeting starting from registration of shareholders to vote counting and display of voting results to ensure that the meeting is carried out in quick, accurate and precise manner.

2.2 Every director must attend the shareholders' meeting so that the shareholders can ask questions to the Chairman and Sub-committees on relevant matters.

2.3 In the case where there are multiple items on an agenda, each item must be separately voted by the shareholders' meeting such as the agenda on the appointment of new director.

2.4 The Board of Directors requires an independent person to perform vote counting or checking the voting results at the Annual General Meeting of Shareholders (AGM) and Extraordinary General Meeting of Shareholders (EGM), including notifying the shareholders' meeting of the results and recording it in the meeting minutes.

2.5 The Board of Directors promotes the use of ballot papers on important agenda such as connected transactions, the acquisition or disposition of assets, etc. to ensure transparency and accountability in the case of future disputes.

2.6 The chairman of the meeting must provide adequate time for and encourage the shareholders to express their opinions and ask questions in relation to the Company.

### 3. Meeting Minutes Preparation and Disclose of Meeting Resolutions

3.1 Meeting minutes must clearly record the explained voting procedure and vote counting method given before the meeting commenced. Also, the shareholders must be allowed to raise issues or questions and the answers provided including the number of votes of approval, disapproval or abstained in each agenda must be recorded as well as the names of directors presented and absent from the meeting.

3.2 The Company must disclose to the general public regarding the voting results of each agenda of the Annual General Meeting of Shareholders (AGM) and Extraordinary General Meeting of Shareholders (EGM) via the Company's website on the following work day.

## **Section 2 – Equitable Treatment of Shareholders**

Every shareholder, whether executive or non-executive, including major and minor shareholders, foreign shareholders and institutional shareholders shall be treated equally and fairly. The Company's Board of Directors and the Management shall ensure that every spending of the shareholders is appropriately carried out as it is an essential factor in building investor confidence. The Board of Directors shall oversee that every shareholder receives equitable treatment and fundamental rights protection as per the following details:

1. Minor shareholders shall be allowed to make advance nomination of candidates for director position within appropriate timeframe.

2. Shareholders who are unable to attend a meeting in person can be allowed to grant proxies to attend the meeting and vote on their behalf.

3. Minor shareholders should be provided with opportunities to propose additional agenda prior to the meeting day.

4. The Board of Directors sets up a policy to prevent the use of inside information that may affect the buying and selling of the Company's securities as a prevention measure to use inside information by a director, executive or employee for wrongful interests of oneself or of others.

5. The Board of Directors has directed the Company's directors and executives to declare their interests and related persons for the Board of Directors to consider transactions that may cause potential conflict of interest and make proper decision for the overall interests of Company. Directors and executives having vested interests in any transaction with the Company are not allowed to make decision on such transaction.

### Best Practice

#### 1. Disclosure of Information Prior to Shareholders' Meeting

1.1 The Board of Directors must ensure that meeting schedule including with the rules, agenda and the Board opinions have been disclosed to the Stock Exchange of Thailand and published on the Company's website at least 28 days prior to the meeting day.

1.2 The Board of Directors has directed that the shareholders must be notified of the meeting rules, voting procedure and the rights to exercise vote by share type.

1.3 The Board of Directors prepares and publishes the shareholders' meeting notice in both Thai and English.

#### 2. Protection of Minor Shareholders' Rights

2.1 The Board of Directors provides minor shareholders the opportunities to propose additional agenda in advance of the shareholders' meeting day to promote fairness and transparency in consideration whether or not to include the proposed agenda.

2.2 The Board of Directors allows minor shareholders the opportunities to submit nomination of candidates for director position in advance of the shareholders' meeting day, to specify candidates qualifications for consideration and their written consent.

2.3 The Board of Directors does not allow executive shareholders to propose additional agenda without giving prior notice, particularly important agenda which the shareholders must take time to consider before making decision.

2.4 The Board of Directors provides the opportunities for the shareholders to exercise their rights on the individual director appointment.

#### 3. Prevention of Internal Use of Information

The Board of Directors sets up a written policy to prevent the internal use of information that affects the buying and selling of the Company's securities. This policy is to be communicated and upheld by every member

within the organization. The directors, executives and employees who are exposed to inside information of the Company, either directly or indirectly, including related parties are prohibited from buying and selling the Company's securities within the period of 60 days prior to public disclosure of the Company's financial statements. Directors, advisors, executives and managers who buy or sell the Company's shares must notify the Legal Department such buying or selling within the following day for further report to the SEC or report to SEC directly within 3 days of shares acquisition or disposition. The Board of Directors, executives and auditor must always be reported their holding securities to the Board of Directors' Meeting.

#### 4. Directors Stakeholding

4.1 All directors must report their stakeholdings every year for adjustment an updated information.

4.2 All directors must report their stakeholding in meeting agenda at least before such agenda has been considered and reported in the meeting minutes.

4.3 The Board of Directors oversees directors who have significant interest in a manner that may prevent the director to express opinion freely, except from participation in the meeting..

### **Section 3 – Roles of Stakeholders**

The Board of Directors realizes the importance of stakeholders who need to be cared regarding to the legal rights, including protection and preservation of the stakeholders rights. The Company shall avoid all actions that may violate the stakeholders rights and they are treated fairly and equally. The Company has determined the roles of stakeholders as follows

1. Customers – The Company focuses on delivering excellence in service to ensure customer satisfaction and confidence together with quality products development relating to the highest customer needs and satisfaction.

2. Business Partners – The Company shall operate its business with fairness and treat every business partner with equality and equally, including strictly complying with the established trading terms and conditions and agreement. The Company also focuses on selecting appropriate business partners based on ethical and professionalism standards and good reputation.

3. Shareholders – The Company is committed to achieve good operating results to ensure optimal benefits and satisfaction of the shareholders.

4. Employees – The Company considers every employee to be its most valuable resource and therefore supports and promotes constant personnel development so that the employees are ready to move forward together with the Company. The Company also sets up a policy to determine appropriate employee compensation and welfare that are equivalent to that of other businesses within the same industry.

5. Competitors - The Company is committed to compete in trading in ethical manner by not seeking confidential information of competitors through dishonest or inappropriate means, including complying with rules on fair competition and not accusing maliciously or with intention to destroy the competitor's reputation.

6. Creditors – The Company shall not fail to make payment within due date and shall strictly conform to the agreement terms and conditions and treat every creditor equally and fairly, particularly in respect to guarantee terms and conditions and capital management. In the case where the Company failed to comply with the agreement terms and conditions which resulted in default, the Company shall report the concerned creditor in advance and shall complete disclose all relevant information in order to jointly seek fair and reasonable solution and ensure suitable capital management structure in order to build trust among the creditors.

7. Debtors – The Company is committed to strictly adhere to the agreement terms and conditions. In the case where a debtor failed to comply with such terms and conditions which resulted in default, the Company shall negotiate with the concerned debtor to seek fair and reasonable solution.

8. Society and Environment – The Company is well aware of its responsibility toward the society and is therefore committed to regularly support and take part in social and community development activities.

9. Human Rights – The Company upholds the principle of human rights and therefore sets up a policy in relation to human rights under which every employee are entitled to the rights, freedom and equality at work and in terms of career progress within the scope of the Company's work regulations. The Company also provides knowledge and understanding among its employees regarding the adoption of basic human rights at work.

10. Intellectual Property – The Company strictly follows the laws in relation to intellectual property and sets up a policy to avoid all forms of intellectual property rights violation. The Company also requires its employees to strictly maintain the confidentiality of the Company's intellectual properties from insurance products, computer system to operational handbook and any properties created by the employees during operation under the consent of the Company. Also, any use of intellectual properties of others without authorization from the owner is strictly prohibited.

11. Anti-Corruptions – The Company sets up anti-corruption policy and practice guideline which has already been approved by the Board of Directors and communicated among the employees, business partners and general public to be strictly adhered to.

#### Best Practice

1. The Board of Directors provides channels and procedures for all stakeholder groups to report or file a complaint which are made available on the Company's website or in the Annual Report.

2. Disclosure of policy compliance and CSR Report preparation

2.1 The Company shall disclose all activities which demonstrate compliance with the said policy, including mechanism for promoting employees' compliance with the said policy.

2.2 The Board of Directors ensures that the Company prepares Sustainability Report in respect to corporate social responsibility which can either be included in the Company's Annual Report or published separately.

#### Section 4 – Disclosure and Transparency

The Board of Directors gives precedence to proper, complete, timely, and transparent disclosure of the Company-related information which are both financial information and non-financial information through channels which are easily, equitably and reliably accessible by publicizing via channel of news information system of Stock Exchange of Thailand, Annual Report, Annual Registration Statement (Form 56-1) and the Company's website both in Thai language and English language. The Board of Directors shall oversee to ensure that information disclosed to the investors are proper, not misunderstand, and sufficient for the decision of the investors. The practical guideline is determined as follows.

1. The Board of Directors shall oversee the personnel who are involved in preparation and disclosure of information to have appropriate knowledge, skills and experiences for duties and responsibilities in adequate number. Such personnel include Executive Vice President – Finance and Accounting, book keeper, internal auditor, company secretary and investor relations.

2. In disclosure of financial information, the Board of Directors shall at least take the following related factors into consideration.

2.1 Assessment result for adequacy of internal control system

2.2 Opinion of the auditor in financial report and observation of the auditor on internal control system, including observations of the auditor via communication in other channels

2.3 Opinion of the Audit Committee

2.4 Consistency with objectives, main goals, strategies and policies of the Company

3. The Board of Directors shall oversee the disclosure of the information including financial statements, Annual Report, and Form 56-1, to enable to adequately reflect financial position and overall operation and support the Company's preparation of explanation and analysis of the management to accompany with the disclosure of quarterly financial statements so that the investors can better acknowledge information and understand the change occurred with financial position and overall operation of the Company in each quarter apart from the information of figure in financial statements only.

4. In case where any transaction of information particularly related to any director is disclosed, such director shall oversee the disclosure in his/her part to be complete and proper.

5. In case where the Company tends to be insolvent or confront with financial problems, the Board of Directors shall closely monitor and administer the Company to prudently operate its business and comply with the information disclosure-related requirement.

6. The Board of Directors shall oversee the Company to determine financial problem solving plan under concern on fairness toward stakeholders including creditors, and monitor the problem solving by assigning the Management to regularly report the status.

7. The Board of Directors shall consider preparing sustainability report as appropriate.

8. The Board of Directors shall consider the appropriateness of information disclosure for legal compliance, code of conduct compliance, anti-corruption policy, employee and stakeholder treatment, and fair treatment, human right respect, and social and environmental responsibility, under concern on reporting framework domestically or internationally acceptable. Such information may be disclosed in Annual Report or separately prepared in volume as appropriate.

9. The Board of Directors shall oversee the disclosure of information which is significant issue and reflects the practice that will bring about the sustainable value creation to the Company.

10. The Board of Directors shall control the Management to establish work unit or person in charge in investor relations work to perform duty in appropriate, equitable and timely communication with the shareholders and other stakeholders.

11. The Board of Directors shall establish communication policy, and information disclosure policy to ensure the appropriate, equitable and timely communication and information disclosure to the third parties, use of proper channels, protection of secret information and information that affect securities price, and communication for companywide corresponding understandings in compliance with such policies.

12. The Board of Directors shall arrange the determination of person in charge in providing information to the third parties. Such person shall be proper for performing his/her duty, understand the Company's business, including objectives, main goals, and values, and be able to communicate with capital market.

13. The Board of Directors shall supervise the Management to determine direction and support investor relations work, as well as clearly determine duties and responsibilities of the investor relations for efficient communication and information disclosure.

14. The Board of Directors shall promote the application of information technology in information disclosure.

15. Apart from publicity of information as determined by criteria and through channels of Stock Exchange of Thailand, the Board of Directors shall also consider disclosing information in Thai language and English language via other channels, such as website of the Company, under regular execution, and presenting updated information.



## Section 5 – Responsibilities of the Board

The Board of Directors is responsible for overseeing the overall business operations of the Company and must have independent judgment in decision-making to ensure optimal benefits of the Company and shareholders in the overall.

### 1. The Board of Directors

The Board of Directors shall be made up by no less than 7 members and of which must include independent directors as per the definition of SEC by no less than one-third of total number of directors.

The Chairman of the Board must be an independent director as per the definition of SEC and must not have any relations with the management nor the same person as Chief Executive Officer to establish clear separation of function roles in determining regular management policy.

### 2. Term of Service

As per the Company's Articles of Association, one-third of total number of directors must vacate office at the Annual General Meeting of Shareholders (AGM). If the number of directors cannot be evenly divided by three, the number nearest to one-third shall be applied. In the first and second year after the Company's registration, directors shall vacate office by means of drawing lots. As for the following years onwards, the director holding the longest service term shall vacate office. Directors having vacated office by rotation as per the prescribed conditions can be re-elected.

Apart from the mentioned retirement by rotation, directors shall also vacate office under the following circumstances:

- (1) Death
- (2) Resignation
- (3) Not completely fulfilling the required qualifications or having prohibited characteristics
- (4) By the shareholders' meeting resolution
- (5) By the court's order

### 3. Board of Directors' Meeting

The Board of Directors must hold at least 6 meetings yearly and meeting notice must be delivered to directors by no less than 7 days in advance of the meeting day, with the exception of an urgent case in which the rights or benefits of the Company must be protected. Under such circumstance, other notification methods can be applied to call for meeting sooner than the expected schedule.

According to minimum quorum at the time of resolution by the Board of Directors in the Board of Directors' Meeting, the directors at least 2/3 of total directors shall be present in the Meeting.

### 4. Directors' Qualifications



Members of the Board of Directors must possess the qualifications required by law as well as the knowledge, expertise, experience and skills that will be beneficial to the Company regardless of their gender, including having clear understanding regarding the duties and responsibilities of director and the Company's business nature and must be able to completely devote their time and efforts to the Company.

1) Independent Directors must fulfill additional qualifications as follow:

1.1) Holding not more than 1% of the total voting shares of the Company, its parent company, subsidiary, associated company, major shareholders or controlling person with the number of shares held by the director's related persons being counted.

1.2) Being a director who is not or has never been an executive director, employee, staff member, advisor with monthly salary or controlling person of the Company, its parent company, subsidiary, associated company, same-level subsidiary, major shareholder or controlling person, unless such characteristics have lapsed for at least two years before being appointed. This shall not include the cases where such Independent Director was a civil officer or an advisor serving in the government sector, a major shareholder or controlling person of the Company.

1.3) Being a director who has no relationship whether by blood or by legal registration under the status of a father, mother, spouse, sibling, and child, including the spouse of the child of other executives, major shareholders, controlling persons or persons who are being nominated for appointment as an executive or controlling person of the Company or its subsidiary.

1.4) Being a director who does not have or has never had a business relationship with the Company, its parent company, subsidiary, associated company, major shareholder or controlling person in a manner that may hinder the exercise of his or her independent judgment, and not being a person who is or has been a significant shareholder or controlling person or a person with business relationship with the Company, its parent company, subsidiary, associated company, major shareholder or controlling person, unless such characteristics have lapsed for at least two years before being appointed. The prescribed business relationship shall include normal trading transactions for the purpose of business operations, rental or lease of immovable property, transaction related to assets or services, or granting or receiving financial assistance by receiving or giving loans, guarantee, using assets as debt collateral, including other similar acts that result in the Company or the party thereof being liable to pay the other party by the rate of 3% or more of net tangible asset or Bt 20 million or more, whichever is smaller. The calculation of such liabilities shall be in accordance with the method of connected transaction calculation specified in the Capital Market Supervisory Board Notification Re: Criteria on Undertaking Connected Transactions, mutatis mutandis, with the liabilities occurring during the 1 year period prior to the date of business relationship with the same person being included.



1.5) Being a director who is not or has never been an external auditor of the Company, its parent company, subsidiary, associated company, major shareholder or controlling person, and must not be a significant shareholder, controlling person or partner of an audit firm to which an external auditor of the Company, its parent company, subsidiary, associated company, major shareholder or controlling person belongs, unless such characteristics has lapsed for at least two years before being appointed.

1.6) Being a director who is not or has never been a provider of any professional service including legal advisory service or financial advisory service with the service fee thereof exceeding Bt 2.0 million per year from the Company, its parent company, subsidiary, associated company, major shareholder or controlling person, and must not be a significant shareholder, controlling person or partner of the provider of such professional service, unless such characteristics have lapsed for at least two years before being appointed.

1.7) Being a director who is not appointed as representative of a director, major shareholder or a shareholder holding relationship with a major shareholder of the Company.

1.8) Not undertaking a business of the same nature and in significant competition with those of the Company or its subsidiary, nor being a significant partner of a partnership or an executive director, employee, staff member, advisor with salary or shareholder with over 1% of the total voting shares of another company undertaking a business of the same nature and in significant competition with those of the Company or its subsidiary.

1.9) Not having any other characteristics that may hinder the exercise of his or her independent judgment about the Company's business operations.

To ensure optimal corporate governance efficiency, Independent Directors shall not hold office term longer 9 years or for 3 consecutive terms unless there is a necessary and reasonable cause and must not hold a position in more than 5 listed companies.

2) Members of the Audit Committee must fulfill the following qualifications:

2.1) Must completely fulfill the qualifications of Independent Directors.

2.2) Must not be a director who has been assigned by the Board of Directors to make decisions concerning the business operation of the Company, parent company, subsidiary, associated company, same-level subsidiary or juristic person with potential conflict of interest.

2.3) Must not be a director of the parent company, subsidiary or same-level subsidiary that has been listed.

2.4) At least one member of the Audit Committee must have adequate accounting knowledge and experience in order to audit the reliability of the financial statements.

Whenever a new director must be appointed, the Nomination and Remuneration Committee shall be responsible for considering and reviewing directors' qualifications in order to determine appropriate qualifications for the new director to strengthen the Board of Directors.

## 5. Duties and Responsibilities of the Board of Directors

The Board of Directors plays roles, duties and responsibilities in determining framework of good corporate governance, and significant strategies and policies, administering the Company to have effective controlling and regulating mechanism, continuously monitoring and overseeing the Company's overall operation for fairness and transparency of the Company's business operation, being responsible for stakeholders under the principle of good corporate governance, and appropriate long-term value creation of the Company as per the following details.

1) Formulate directions, policies and strategies of the Company that must at least consist of the following details.

1.1) Formulate strategic directions and targets in the Company's overview, and consider approving the Company's operating policies and strategies, under control on the Company to take sustainable business operation into consideration, avoidance of risk exposure in excess of the acceptable risk level, and monitoring and evaluating on the operating success.

1.2) Govern the Company to have controlling policy for conflict of interests to prevent non-exploitation of oneself or friends, or occurrence of conflict of interests problem, and concern on the Company's significant risks.

1.3) Govern the Company to have anti-corruption policy and related practical guidelines.

1.4) Govern the Company to have efficient complaint receiving policy and internal whistle blowing policy and procedure for surveillance and reporting of the acts that may be illegal, conflict with policies, rules, internal processes and code of business conduct.

1.5) Govern the Company to have anti-money laundering, and anti-financial support to terrorism policies, as well as related practical guidelines.

1.6) Govern the Company to appropriately establish the written remuneration payment policy at least covering directors, executives, key personnel in controlling work unit, and employees in work units that cause significant risks, to reflect objectives and risks of each work unit under concern on long-term security of the Company, and non-motivation for performing transactions that cause excessive risks until affecting the Company's security and benefit of the insured.

1.7) Determine the Company to have the provision relating to code of business conduct and business ethics, and director, executive and employee ethics for adherence as internal practical guideline of the Company.

1.8) Govern to have effective nomination process and succession plan of the director and chief executive of the Company. The Board of Directors shall appoint the Managing Director to be head of the chief executive team to take responsibility on the Company's business operation under control of the Board of Directors.

2) Govern the Company to have effective controlling, monitoring and auditing process whereas the following details shall be at least included.

2.1) Determine the Company's structure for segregation of duties in governance and management, determine clear roles, duties and responsibilities of the Board of Directors, executives, and key personnel in controlling work unit for appropriate managerial governance.

2.2) Govern the Company to have risk management and internal control systems as prescribed by law to be appropriate for nature, size, and complication of the Company. The Board of Directors shall oversee the Company to have efficient risk management system, enable to bear significant risks, and control risks to be in acceptable level, as well as govern the Company to have efficient internal control and internal audit systems.

2.3) Consider appointing the appropriate sub-committees for nature, size and complication of the business in order to contribute and support function of the Board of Directors, consider change in element and significant change toward the operation of the sub-committees, and determine scope of duties of the sub-committees.

2.4) Govern accounting audit of the Company, covering the following matters.

2.4.1) Select, appoint and remove, determine remuneration for the auditor who is independent, has knowledge and understanding on the insurance business operation, and appraisal of insurance reserve value, upon consent of Office of the Securities and Exchange Commission, and Stock Exchange of Thailand.

2.4.2) Determine the auditor to prepare report with the opinions of the chief executive of the Company to be proposed to the Board of Directors.

2.4.3) Regularly organize joint meetings between the Board of Directors or Audit Committee and the auditor at least once a year without meeting attendance of the executive.

2.5) Regularly govern the evaluation on the performance of the Board of Directors, sub-committees and the President every year to ensure that the Board of Directors, sub-committees and the President remain enable to effectively perform their duties in accordance with the assigned roles, duties and responsibilities. However, the performance evaluation may be determined both in the form of the members for the whole group or individual members.

2.6) Govern the establishment of good corporate governance policy for application of the

Management, review the performance evaluation for consideration on improvement to be appropriate and report in Annual Report.

2.7) Govern the Company to have preparation process of proper and credible financial report, and proper, adequate and timely disclosure of significant information to public and regulatory agencies in accordance with relevant laws and standards.

3) Continuously monitor and govern the Company's operation whereas the following details shall be at least included.

3.1) Govern the Company to comply with laws, regulations and rules related to the Company's business operation.

3.2) Efficiently and effectively govern and monitor the executive's operation in accordance with the prescribed strategies and policies.

3.3) Govern the Company to have secure and adequate capital to support both current and future business operation, and regularly monitor the capital position, and have process or tools used for supervision of the capital adequacy to be in secure level.

3.4) Govern the executives to report the important issues of the Company and have information reporting process so that the Board of Directors can obtain adequate information for complete execution in accordance with power, duties and responsibilities.

3.5) Govern the Company to fairly treat its customers by determining clear procedure or process in offering for sales and reimbursement of loss under the contract, not causing misunderstanding or benefit from the customer's misunderstanding.

#### 4) Duties and Responsibilities of the Director

4.1) Comply with Non-Life Insurance Laws and other relevant laws.

4.2) Perform duties with responsibilities, honesty and diligence, under main concern on the benefit of the Company and the insured, without use of director position for self-exploitation or performing any act that causes damage to the Company, and comply with the objectives of the Company's Articles of Association, resolution of the Board of Directors, and resolution of the Shareholders' Meeting.

4.3) Understand their own roles, duties and responsibilities, and participate in opinion expression, provide useful suggestions in the meeting, perform duties with all their ability, and attend the Board of Directors' Meeting every time except the event of necessity.

4.4) Independently and reasonably make decision based on availability of adequate information for decision making so as to not cause problem of conflict of interests. In case of the Board of Directors' Meeting that contains the agenda which is either directly or indirectly related to the benefit of any

director, such director shall notify the Board of Directors for acknowledgement and not enter to participate or involved in making the decision or resolving in the meeting of that agenda.

4.5) Execute other undertakings in accordance with matters of law, regulations and resolutions of the Shareholders' Meeting of the Company.

4.6) Support the non-executive director to be able to convene the meeting among each other by assigning the Company's secretary to facilitate upon request of the non-executive director.

4.7) Prepare the report for explanation of the responsibility of the Board of Directors in preparing financial report in Annual Report.

4.8) Determine to schedule the Board of Directors' Meeting in advance year round. Such schedule shall be made in the last Board of Directors' Meeting for the year in order to notify every director for acknowledgement on meeting schedule for meeting attendance planning.

4.9) Determine the meeting attendance proportion of every director to be at least 75 percent of the yearly meeting.

## 6. Sub-committee

The Board of Directors has appointed members of the Audit Committee and Nomination and Remuneration Committee from among the Company's directors, excluding the Chairman of the Board, and each of whom shall hold an office term of 3 years and must not remain in office longer than 3 consecutive terms unless there is necessary and reasonable cause. The compositions and scope of responsibilities of each Sub-committee are as follow:

1) The Audit Committee shall consist of three Independent Directors and shall have the following scope of responsibilities:

1.1) To conduct reviews of the Company's financial reports to ensure accuracy and adequacy, including making sure that the Company has appropriate and effective internal control and internal audit systems that also cover other processes in relation to anti-corruption measures.

1.2) To review the independency of the Internal Audit Unit and to give consent to the appointment, transfer and termination of the Director of Internal Audit Unit.

1.3) To review the effectiveness of Company's risk management based on the defined risk management framework as it is crucial to achieving the objectives of the Company both in terms of efficiency and effectiveness.

1.4) To ensure compliance with the laws relating to securities and the stock exchange, the regulation of the Stock Exchange of Thailand or other laws related to the business of the Company.

1.5) To select and nominate independent persons to act as External Auditors of the Company and propose their remuneration, including having at least one meeting a year with External Auditors without the Management's presence.

1.6) To review any connected transactions or any transactions with potential conflict of interest for compliance with the laws and requirements of the Stock Exchange of Thailand in order to ensure that the transactions are reasonable and most beneficial to the Company.

1.7) To review compliance with anti-corruptions policy and report the results to the Board of Directors.

1.8) To prepare the Audit Committee's Report which shall be disclosed in the Company's Annual Report. The report, which is to be signed by the Chairman of the Audit Committee, shall include at least the following information:

1.8.1) Opinions regarding the accuracy, completeness and integrity of the Company's financial reports.

1.8.2) Opinions regarding the adequacy of the Internal Control System of the Company.

1.8.3) Opinions regarding compliance with the laws relevant to securities and the stock exchange, the regulation of the Stock Exchange of Thailand or other laws related to the business of the Company.

1.8.4) Opinions regarding the suitability of the Auditors.

1.8.5) Opinions regarding transactions which may have conflict of interest.

1.8.6) The number of Audit Committee's meetings and the attendance of each member of the Audit Committee.

1.8.7) Opinions or observations of the Audit Committee drawn from the performance of their duties according to the Charter.

1.8.8) Any other matters within the scope of duties and responsibilities assigned by the Company's Board of Directors which the shareholders and general investors should know.

The Audit Committee shall hold at least 6 meetings a year.

2) The Nomination and Remuneration Committee shall consist of at least three members and of which the Chairman and at least one member must be Independent Director. Members of the Nomination and Remuneration Committee shall have an office term of 3 years and must not remain in office longer than 3 consecutive terms unless there is necessary and reasonable cause. The responsibilities of Nomination and Remuneration Committee are as follow:



## 2.1) Nomination

2.1.1) To determine selection policy and criteria for director position that are appropriate with the nature of the organization such as considering re-electing the current directors, accepting nominations from the shareholders, using external firm, considering candidates from Directors' Pool or having each director nominate an appropriate person, etc.

2.1.2) To consider the proposed nomination list and select the candidate who fulfill the specified qualifications criteria.

2.1.3) To thoroughly check and ensure that the proposed nominees possess all qualifications stipulated by law and the regulation of government agencies.

2.1.4) To notify qualified persons to ensure that they are willing to accept the director position if he/she has been appointed by the shareholders.

2.1.5) To propose nomination list to the Board of Directors for consideration and enclose such list together with the shareholders' meeting notice so that the shareholders can make consideration for appointment.

2.1.6) The Nomination and Remuneration Committee may be assigned to consider the appointment of high-ranking executive position especially Chief Executive Officer position.

## 2.2) Determination of Remuneration

2.2.1) To review the appropriateness of current remuneration policy and criteria.

2.2.2) To consider the remuneration policy and criteria of other companies within the same industry.

2.2.3) To set up an appropriate and fair remuneration so that the expected outcome can be achieved and to reward the concerned party for their contribution in driving successful operation.

2.2.4) To review every form of remuneration payment by taking into account the appropriateness of the amount given and the ratio of each type of remuneration payment. Key principles in considering the determination of each type of remuneration include:

2.2.4.1) Retainer Fee such as monthly compensation and annual compensation of which the following three factors should be taken into account:

- (1) Practice guidelines currently implemented by other companies within the same industry
- (2) Operating results and business size of the Company
- (3) Accountability, knowledge, ability and experience of the concerned director or Chief Executive Officer.

2.2.4.2) Incentive which shall be determined based on the Company's operating results and must be in relation to the created shareholders' value such as the Company's profits or dividend payment to the shareholders.

2.2.4.3) Attendance Fee which shall be appropriately determined in order to encourage the directors to regularly attend meetings.

2.2.5) To ensure that the Company's dividend payment is in compliance with the criteria defined by related government agencies or relevant suggestions.

2.3) Any other tasks assigned by the Board of Directors.

The Nomination and Remuneration Committee shall hold specific meetings when needed but at least once a year.

## 7. Secretary

The Board of Directors requires the Secretary to have the following responsibilities:

1. Maintain and keep documents as follows:

1.1) Register of directors;

1.2) Invitation letters of the Board of Directors, minutes of the Board of Directors' meeting and annual reports of the Company;

1.3) Invitation letters for shareholders and minutes of the shareholders' meeting.

2. Maintain and keep the interest report notified by the directors or the Management as well as prepare and deliver its copy to the Chairman and the Chairman shall review it within 7 working days from the date of receipt thereof.

3. Do other acts as announced by the Capital Market Supervisory Board.

## 8. Executive Board

This Executive Board shall be consisted of the directors who are the Management and such Management appointed by the Chief Executive Officer shall have the duties and responsibilities as follows:

1. Consider and scrutinize issues in order to present it to the Board of Directors, consider the vision, strategic plans, business target, and annual budget as well as the risk management policy of the Company;

2. Implement the business strategies and policies set out by the Board of Directors effectively, taking into account of the long-term value creation and sustainable business operation of the Company;

3. Promote, support, and operate the Company to have the risk management, proficient internal control system, to be in compliance with relevant laws correctly and to treat insured fairly;

4. Report significant information relating to the Company's performance, risk level, and the Management's performance to the Board of Directors correctly, sufficiently, and timely in order to enable the Board of Directors to monitor and follow up the operation proficiently;

5. Monitor to be in compliance with the corporate governance policy of the Company as well as the policies on anti-money laundering, Combating the Financing of Terrorism, and anti-corruption including the performance evaluation with recommendations to the Board of Directors for consideration.

6. Do other actions as designated by the Board of Directors.

7. Follow up and report the performance on aspects to the Board of Directors from time to time.

8. Specify appropriate line structures of command or report as well as specify duties and responsibilities of each organizations under the command line clearly in order to facilitate the risk management and proficient monitor, control, and inspection.

9. Promote the Company to have the culture of risk management in order to monitor and control the Company's risks to be at a risk appetite as specified by the Board of Directors as well as communicate all staff in the Company to understand and realize the importance of the Company's risk management policy.

10. Evaluate the performance of the Management annually, comparing with the target specified by the Board of Directors and report the report of performance to the Board of Directors.

11. Not work for other organization as a full-time staff, unless the Board of Directors considered that such full-time work for other organization shall not affect the proficiency of the performance in the Company.

#### 9. Development of Directors and Executives

The Board of Directors has the policy to require new director to have an orientation on knowledge of the company business including the attendance at least one training program of Thailand Institute of Directors. Moreover, encouraging members of the Board of Directors and high-ranking executives to join at least one training program every year that is relevant to the Company's business operations for knowledge enhancement and supporting effective performance.

Announced on 9 November 2018



(Mr. Chalaw Faungaromya)

Chairman